

The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

16 March 1987

MEMORANDUM FOR: Acting Director of Central Intelligence

FROM:

John J. Bird

National Intelligence Officer for Warning

SUBJECT:

Monthly Warning Reports for February 1987

Summary of Key Warning Issues:

Haiti

If the National Council of Government (CNG) attempts to manipulate the election in favor of "its candidate", the electorate would probably feel betrayed and resume street violence on a larger scale than in the past.

Honduras

Despite their limited capabilities, the Honduran radical left is capable of sabotage and terrorist attacks in an attempt to take the pressure off Nigaragua.

Somalia

Somali officials who oppose Samantar increasingly appear to be anti-US as well. The US aid reductions add to Somali disappointment with the US, and the recent border clashes could contribute to a Somali perception that US help is needed but not forthcoming.

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Zaire

Zaire and the IMF are moving toward agreement, probably in April or May, but there is concern that Zaire's worsening economy and ability to service debts might deteriorate to the point of blocking an agreement. Zaire is in arrears to the Paris and London clubs; it cannot pay for its next scheduled fuel delivery; and it is unlikely to get the increases in bilateral aid that Mobutu seeks.

Sierra Leone

Increasing unrest, probably led by students and perhaps joined by their parents, is likely. Food and petroleum shortages will worsen, and Momoh probably will remain indecisive, weak, and confused about economic matters. Dissatisfaction among lower military officers could become actual coup plotting. Force Commander Tarawallie probably will not attempt a coup, but could be provoked into leading a preemptive coup if he sees others about to take action.

South Korea

There is every indication that Chun intends to cling to power, if not formally then from behind the scenes. This will probably exacerbate political instability in South Korea in the coming months. Those around Chun are not likely to act against him, however, unless he is perceived as declining in his ability to manage the situation.

Hungary

The regime's protracted failure to resolve the impasse in the Writers' Union sharpens factional divisions, adds to existing pressures for Kadar to step down, and could yet become in important test for "glasnost" in the broader East European context. A major embarrassment for Kadar could develop if the Writers' Union were to endorse formally dissident programs for increased democratization and a full review of the suppression of the revolt in 1956.

<u>USSR</u>

Unless Gorbachev backs off (unlikely), we anticipate continuing leadership turmoil. As he broadens his agenda to include ever more controversial ideas, he will need increasing political power to overcome the opposition. The chances of a head-on confrontation between Gorbachev and his political opponents, comparable to that between Khrushchev and the "anti-party group' in 1957, have increased. A/NIO/USSR beleives that, in the event of a showdown, Gorbachev's opponents would attempt to use his course of active diplomatic engagement with the Reagan Administration against him.

Burma - Narcotics

The Burmese Communist Party (BCP) is stepping up its drive to become a major heroin supplier in the Golden Triangle by taking over a large share of the narcotics trade along the Thai-Burma border from the Shan United Army. Although the BCP is moving heroin north into India, routes across the Thai-Burma border remain the most serious trafficking threat.

2. Trend Commentary

India/Pakistan

Despite the recent agreement calling for the withdrawal of troops from southern sectors of the Indo-Pakistani border, Indian military movements still send ambiguous signals, and the presence of unusually large numbers of troops in the Punjab as well as those participating in the BRASS TACKS exercise continue the risk of an inadvertent confrontation.

Chad

The odds are greater than 50-50 that Habre's troops will lose Fada to the much larger Libyan attacking force. Habre has seriously increased his risks in his northern Chad campaign; the bulk of his army is at Fada, from which withdrawal under fire might prove extremely difficult. The French probably will not do anything to help Habre hold Fada, at least not before the battle begins.

Sudan

High-level government over-confidence could lead to a rash move. Khartoum, for example, might try a risky offensive in the south, such as an attack on SPLA headquarters at Boma; or it might try its "northern card"--stimulating aid to anti-Ethiopian rebels as a counter to Addis Ababa's backing of the Sudanese insurgents--which could backfire with serious consequences.

Romania

The chances of a flareup of violence are gradually rising, but as yet the evidence still points to isolated, localized problems.

USSR

While the steps in Gorbachev's human rights strategy have domestic causes, the regime clearly intends to use them to play more effectively the international human rights game and launch a more aggressive counteroffensive against Western attacks on Soviet abuses. A/NIO/USSR believes that, without an effort to develop a coordinated Western response to these trends, the US risks being pulled along by what is shaping up to be a positive assessment among European allies that lacks balance.

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3. NIO/Warning notes these additional areas of continuing warning concern:

Afghanistan/Pakistan--Should food shortages in Afghanistan grow--which may be exacerbated by drought this spring--the Afghan resistance will be affected and result in a new influx of refugees into Pakistan at a time when they are becoming an increasingly sensitive domestic issue. Anti-refugee demonstrations and violence are spreading in Pakistani cities along the border and will cause increasing domestic unrest.

India/China--China and India continue to have border differences, and there were minor clashes late last year. India's Army Chief of Staff has indicated that Indian troops are preparing for skirmishes this spring. For China's part, their forces in Tibet are already in a heightened state of alert. Last summer China gave evidence of moving forces to the border area of a size and nature that suggests Beijing may consider countering Indian encroachment on its territory. Although any military clashes might have sizeable political impact, border skirmishes are unlikely to be militarily significant in themselves.

Berlin/USSR/East Germany--The Soviets and East Germans may be preparing a new challenge to the West's rights and responsibilities in Berlin. This may be the start of another campaign to erode Western rights to the city and to divide West Germany from the three Western powers on sensitive Berlin issues.

<u>Suriname</u>--A military stalemate between rebel and government forces continues, but more effective rebel attacks against economic targets are straining the government. Government collapse could be imminent.



